

CITY OF TIGARD, OREGON

RESOLUTION NO. 06-24

A RESOLUTION FINALIZING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 33 (SW WALNUT STREET) AND AMENDING THE PRELIMINARY CITY ENGINEER'S REPORT CONTAINED IN RESOLUTION NO. 04-91.

WHEREAS, on November 23, 2004, the City Council approved Resolution 04-91 to form Sanitary Sewer District No. 33 to construct sewers in SW Walnut Street in accordance with TMC Chapter 13.09; and

WHEREAS, Resolution No. 04-91 included the City Engineer's Report that included an estimated construction and total project cost; and

WHEREAS, construction of the sewer improvements has been completed, final costs have been determined, and the City Engineer's Report has been revised to include the final costs as required by TMC 13.09.105 (1); and

WHEREAS, the property owners within the district have been notified of an informational hearing in accordance with TMC 13.09.060 and an informational hearing was conducted in accordance with TMC 13.09.105; and

WHEREAS, the City Council has determined that the proposed revisions to the City Engineer's Report, as recommended by the City Engineer, are appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

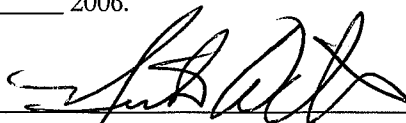
SECTION 1 The Final City Engineer's Report titled "Sanitary Sewer Reimbursement District No. 33", attached hereto as Exhibit A, is hereby approved.

SECTION 2 The City Engineer's Report as presented in Resolution No. 04-91 is hereby amended by the attached Final City Engineer's Report (Exhibit A).

SECTION 3 The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address.

SECTION 4 This resolution is effective immediately upon passage.

PASSED: This 25<sup>th</sup> day of April 2006.

  
\_\_\_\_\_  
Mayor - City of Tigard

Council President

ATTEST:

  
\_\_\_\_\_  
City Recorder - City of Tigard

I:\eng\2005-2006 fy cip\walnut street - phase 3 (by county)\reimbursement district 33-walnut street\city council\finalization\4-25-06 reim dist 33 res.doc

RESOLUTION NO. 06-24

## Exhibit A

### **Final City Engineer's Report Sanitary Sewer Reimbursement District No. 33 (SW Walnut Street)**

#### Background

This project was constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard installed public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner must pay a connection fee, currently \$2,635, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

#### Project Area - Zone of Benefit

An existing line in SW Walnut Street was extended east of SW 134<sup>th</sup> Avenue to serve three lots and west from SW 124<sup>th</sup> Avenue to serve two lots as shown on Exhibit Map B.

#### Cost

The final cost for the sanitary sewer construction to provide service to the five lots is \$50,311.06. Engineering and inspection fees amount to \$6,791.99 (13.5%) as defined in TMC 13.09.040(1). The final total project cost is \$57,103.05. This is the amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay an additional \$2,635 connection and inspection fee when connection to the public line is made. All owners will be responsible for all plumbing costs required for work done on private property.

#### Reimbursement Rate

All properties are zoned R-4.5 but vary in lot size from 14,000 to 93,000 square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of this portion of the project be divided among the five properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

**Each property owner's fair share of the public sewer line is \$0.220591 per square foot of lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not**

exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed as provided by Resolution 03-55 (attached).

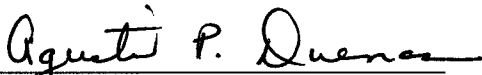
#### Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

#### Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted April 11, 2006

  
\_\_\_\_\_  
Agustin P. Duenas, P.E.  
City Engineer

I:\eng\2005-2006 fy cip\walnut street - phase 3 (by county)\reimbursement district 33-walnut street\city council\finalization\4-11-06 reim dist 33 report app a.doc

**WALNUT STREET**  
**Reimbursement District No. 33**  
*Cost to Property Owners Based on Final Project Cost*  
**April 18, 2006**

	OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	COST TO PROPERTY OWNER	* PAID BY OWNER	PAID BY CITY
1	ZECHMANN, BARBARA JUNE & LEARY, DAVID L & KATHLEEN J	13320 SW WALNUT	2S104AC10900	92561.8754	\$20,418	\$11,418	\$9,000
2	J & S CONCRETE	13280 SW WALNUT	2S104AC00200	93389.39123	\$20,601	\$11,601	\$9,000
3	WEINANDY, MICHAEL C & DONAHUE, MARY	13300 SW WALNUT	2S104AC10800	44903.06836	\$9,905	\$6,000	\$3,905
4	TRIGG, CHARLES L	12570 SW WALNUT	2S104AD04000	13790.93808	\$3,042	\$3,042	\$0
5	CARLTON, MARK M & DEMELLO, BRENDA	12600 SW WALNUT	2S104AD03900	14218.40744	\$3,136	\$3,136	\$0
			<b>Totals</b>	<b>258864</b>	<b>\$57,103</b>	<b>\$35,198</b>	<b>\$21,905</b>

\* If connections are made in accordance with the incentive program.